

**STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

Before the Director of the Department of Insurance and Financial Services

In the matter of:

Department of Insurance and Financial Services

Enforcement Case No. 21-16516

Agency No. 21-008-L

Petitioner,

v

Matthew Sage

System ID No. 0654877

Respondent.

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ISSUED AND ENTERED

**on February 1, 2022
by Randall S. Gregg
Senior Deputy Director**

FINAL DECISION

I. Background

Matthew Sage (Respondent) is a licensed nonresident insurance producer. The Department of Insurance and Financial Services (DIFS) received information that Respondent failed to respond to a letter of inquiry from DIFS regarding an April 15, 2021, consumer complaint filed against Respondent. After an investigation and verification of the information, on May 24, 2021, DIFS issued a Notice of Opportunity to Show Compliance (NOSC) alleging that Respondent had provided justification for revocation of licensure and other sanctions pursuant to Sections 1239(2) and 1244(1)(a-d) of the Michigan Insurance Code (Code), MCL 500.1239(2) and 500.1244(1)(a-d). Respondent failed to reply to the NOSC.

On August 10, 2021, DIFS issued an Administrative Complaint, Order for Hearing, and Notice of Hearing which was served upon Respondent at the address he is required to maintain with DIFS. The Order for Hearing required Respondent to take one of the following actions within 21 days: (1) agree to a resolution of the case, (2) file a response to the allegations with a statement that Respondent planned to attend the hearing, or (3) request an adjournment. Respondent failed to take the required action.

On September 21, 2021, DIFS staff filed a Motion for Interim Order. Respondent did not file a reply to the motion. Given Respondent's failure to respond, Petitioner's motion was granted, and the Director issued an Order, which suspended Respondent's insurance producer license, ordered Respondent to respond to DIFS' original April 21, 2021, inquiry, and pay a \$1,000.00 fine. Respondent failed to respond or

otherwise comply with the Director's Order.

On January 10, 2022, DIFS staff filed a Motion for Final Decision Following Order. Respondent did not file a reply to the motion. To date, Respondent has failed to pay the \$1,000.00 fine and respond to DIFS' original inquiry. Given Respondent's failure to respond, Petitioner's motion is granted. The Administrative Complaint, being unchallenged, is accepted as true. Based upon the Administrative Complaint, the Director makes the following Findings of Fact and Conclusions of Law.

II. Findings of Fact and Conclusions of Law

1. Respondent is a licensed resident insurance producer, authorized to transact the business of insurance in Michigan, with a qualification in accident and health, and his license is currently active.
2. On April 21, 2021, DIFS staff sent a letter of inquiry to Respondent at his email address of record, which he is required per the Michigan Insurance Code (Code) to keep current with DIFS. The letter requested a written response to an April 15, 2021, consumer complaint filed against Respondent.
3. On May 24, 2021, a Notice of Opportunity to Show Compliance (NOSC) was sent to Respondent at his mailing and residential addresses of record. The NOSC was also emailed to Respondent. No response was received, and the mail was not returned by the United States Postal Service.
4. On June 3, 2021, DIFS staff attempted to call Respondent at his telephone number of record. No contact was made, and no voicemail was available to leave a message.
5. As a licensee, Respondent knew or had reason to know that Section 249(a) of the Code, MCL 500.249(a), states that for the purposes of ascertaining compliance with the provisions of the insurance laws of the state the Director may initiate proceedings to examine the accounts, records, documents and transactions pertaining to any insurance agent, surplus line agent, general agent, adjuster, public adjuster or counselor.
6. As a licensee, Respondent knew or had reason to know that Section 1239(2)(e) of the Code, MCL 500.1239(2)(e), states that the Director may place on probation, suspend, or revoke an insurance producer's license or may levy a civil fine under Section 1244 of the Code, MCL 500.1244 or any combination of actions for violating any insurance laws or violating any regulation, subpoena, or order of the Director.
7. As a licensee, Respondent knew or had reason to know that Section 1244(1)(a-c) of the Code, MCL 500.1244(1)(a-c), provides that the Director may order the payment of a civil fine of up to \$1,000.00 for each violation and up to \$5,000.00 for each violation if the Director finds that the person knew or reasonably should have known that he or she was in violation of the Code. The Director may also require the person to refund any overcharges and pay restitution to cover losses, damages, or other harm they caused by violating the Code. Pursuant to Section 1244(1)(d) of the Code, MCL 500.1244(1)(d), the Director may order suspension or revocation of licensure.

8. Respondent has provided justification for sanctions, pursuant to Sections 1239(2)(e) and 1244(1) of the Code, by failing to respond to letters of inquiry from DIFS staff as required pursuant to Section 249(a), MCL 500.249(a).
9. On August 10, 2021, DIFS issued an Administrative Complaint, Order for Hearing, and Notice of Hearing which were served upon Respondent at the address he is required to maintain with DIFS.
10. In paragraph 3 of the Order for Hearing, the Respondent was ordered to do one of the following within 21 days of the date of the Order: 1) agree to a resolution with the opposing party, 2) file a response to the allegations in the Administrative Complaint and file a statement that Respondent plans to attend the hearing as scheduled, or 3) file a request for an adjournment. Paragraph 5 states that failure to make the required filing shall constitute the default of Respondent in this contested case. Respondent failed to take the required action.
11. Having made reasonable efforts to serve Respondent and having complied with MCL 500.1238(2), Petitioner now seeks sanctions up to and including REVOCATION of licensure.
12. Respondent is in default and the Petitioner is entitled to have all allegations accepted as true.
13. On September 21, 2021, DIFS staff filed a Motion for Interim Order. Respondent did not file a reply to the motion.
14. On October 7, 2021, Petitioner's motion was granted, and the Director issued an Order, which suspended Respondent's insurance producer license, ordered Respondent to respond to DIFS' original inquiry, and pay a \$1,000.00 fine. To date, Respondent has failed to pay the \$1,000.00 fine or respond to DIFS' original inquiry.
15. DIFS staff has made reasonable efforts to serve Respondent and have complied with MCL 500.1238(2).
16. Respondent has received notice and has been given an opportunity to respond and appear and has not responded nor appeared.

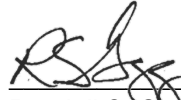
III. Order

Based upon the Respondent's conduct and the applicable law cited above, it is ordered that:

1. Respondent is in Default in this matter and all allegations contained in the Administrative Complaint are accepted as true in all respects.
2. Respondent shall **CEASE** and **DESIST** from violating the Code.
3. Respondent's license (System ID No. 0654877) is **REVOKED**.

5. The Director retains jurisdiction over the matters contained herein and has the authority to issue such further order(s) as shall be deemed just, necessary, and appropriate in accordance with the Code.

Anita G. Fox, Director
For the Director:

A handwritten signature in black ink, appearing to read 'RSG', is written over a horizontal line.

Randall S. Gregg
Senior Deputy Director